

## Message Text

PAGE 01 STATE 183043

53

ORIGIN EUR-12

INFO OCT-01 ISO-00 EB-07 COME-00 L-03 CIAE-00 INR-07

NSAE-00 TRSE-00 JUSE-00 /030 R

DRAFTED BY EUR/SE:NCLEDSKY:RJCARROLL:JF

APPROVED BY EUR/SE:WLEAGLETON

EB/OCA/CD:JRABENS

----- 056247

P 021728Z AUG 75

FM SECSTATE WASHDC

TO AMEMBASSY VALLETTA PRIORITY

LIMITED OFFICIAL USE STATE 183043

E.O. 11652: N/A

TAGS: EINV, MT

SUBJECT: SETTLEMENT OF WESTINGHOUSE/GOM DISPUTE

EMBASSY, PLEASE DELIVER FOLLOWING MESSAGE TO L. C. CIANTAR  
OF THE MALTA ELECTRICITY BOARD, FROM BLAIR CRAWFORD - WEST-  
INGHOUSE.

1. WE ARE REQUESTING YOUR ASSISTANCE IN COMPLETING THE  
SETTLEMENT AS AGREED LAST WEEK. I HAVE ALREADY CABLED  
MALLIA ON SOME OF THIS BUT, AS YOU KNOW, HE IS NOT RELIABLE  
AND IT IS IN ALL OUR INTERESTS TO FINISH IT UP QUICKLY.

2. - COULD YOU FIND OUT WHAT IS HAPPENING ON COURT COSTS?  
A STIPULATION FIXING THE EXCHANGE RATE WAS TO HAVE BEEN  
SIGNED BY EVERYONE LAST WEEK AND THE COURT REGISTRAR WAS  
TO ACT IMMEDIATELY. I HAVE HEARD NOTHING.

3. - DR. MIZZI WAS GOING TO TRY TO HAVE COUNCIL FOR MFB  
WAIVE THEIR POSITION OVER THE COURT COSTS AS PART OF THE  
SETTLEMENT. I HAVE HEARD NOTHING.

LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 STATE 183043

4. - DR. MIZZI WAS GOING TO CERTIFY TO THE TAX PEOPLE  
THAT NO TAX IS PAYABLE ON THE SETTLEMENT AMOUNT SO THAT  
IT CAN BE REMITTED WITHOUT DIFFICULTY AND MALLIA IS TO

ASSIST. I HAVE HEARD NOTHING.

5. - I HAVE PREPARED THE FOLLOWING LETTER. COULD YOU  
ASK DR. MIZZI TO REIVEW IT. IF IT IS ACCEPTABLE IT WILL  
BE SENT THE SAME DAY WE ARE SO ADVISED. IF THERE ARE  
REQUESTED CHANGES WE WILL MAKE THEM. BEGIN TEXT:

-- "THIS LETTER IS TO CONFIRM THE UNDERSTANDING REACHED  
-- LAST WEEK IN DISCUSSIONS BETWEEN THE RESPECTIVE REPRE-  
-- SENTATIVES OF THE MALTESE ELECTRICITY BOARD AND WEST-  
-- INGHOUSE REGARDING THE DISPUTE ARISING OUT OF THE MEB  
-- CONTRACT NO. 2036.

-- MEB AGREED TO PAY TO WESTINGHOUSE THE SUM OF \$800,000  
-- US DOLLARS AT A NEW YORK BANK TO BE DESIGNATED BY  
-- WESTINGHOUSE. THIS SUM IS TO BE FREE OF ANY WITHOLD-  
-- INGS OR OTHER TAX LIABILITY AND IS TO BE UNENCUMBERED  
-- BY EXCHANGE CONTROL OR OTHER GOVERNMENT RESTRICTIONS.  
-- FURTHER, COUNCIL FOR THE MEB AND COUNCIL FOR THE GOVERN-  
-- MENT OF MALTA AGREED TO WAIVE THE FEES AWARDED OR TO BE  
-- AWARDED TO THEM BY THE COURT OF APPEALS IN CASE NO. 14  
-- WRIT OF SUMMONS NO. 502-73.

-- WESTINGHOUSE AGREED TO TURN OVER TO THE MEB ALL STEEL  
-- PLATE OWNED BY WESTINGHOUSE WHICH IS CURRENTLY STORED  
-- ON MEB PREMISES IN MALTA. THE PARTIES FURTHER AGREED  
-- THAT SOME ADDITIONAL STEEL PLATE HELD BY GEORGE PACE  
-- WOULD REMAIN THE PROPERTY OF WESTINGHOUSE, SUBJECT TO  
-- WHATEVER CONTRACTUAL ARRANGEMENT IS CURRENTLY IN EXIST-  
-- ENCE BETWEEN WESTINGHOUSE AND GEORGE PACE.

-- THE PARTIES FINALLY AGREED THAT UPON RECEIPT BY WEST-  
-- INGHOUSE OF THE \$800,000 AS SPECIFIED, AND UPON COMPLI-  
-- ANCE BY EACH PARTY WITH THE OTHER CONDITIONS AS SET  
-- FORTH ABOVE, ALL OBLIGATIONS BETWEEN THE PARTIES ARIS-  
-- ING OUT OF CONTRACT NO. 2036 WOULD BE DEEMED DISCHARGED

LIMITED OFFICIAL USE  
LIMITED OFFICIAL USE

PAGE 03 STATE 183043

-- AND FULFILLED." END TEXT. BLAIR CRAWFORD - WESTING-  
HOUSE. INGERSOLL

LIMITED OFFICIAL USE

<< END OF DOCUMENT >>

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 26 AUG 1999  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** DISPUTE SETTLEMENT, FINANCIAL TRANSACTIONS  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 02 AUG 1975  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** CunninFX  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1975STATE183043  
**Document Source:** ADS  
**Document Unique ID:** 00  
**Drafter:** EUR/SE:NCLEDSKY:RJCARROLL:JF  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** n/a  
**Film Number:** D750267-0977  
**From:** STATE  
**Handling Restrictions:** n/a  
**Image Path:**  
**ISecure:** 1  
**Legacy Key:** link1975/newtext/t19750899/baaaaaa.tel  
**Line Count:** 100  
**Locator:** TEXT ON-LINE, TEXT ON MICROFILM  
**Office:** ORIGIN EUR  
**Original Classification:** LIMITED OFFICIAL USE  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 2  
**Previous Channel Indicators:**  
**Previous Classification:** LIMITED OFFICIAL USE  
**Previous Handling Restrictions:** n/a  
**Reference:** n/a  
**Review Action:** RELEASED, APPROVED  
**Review Authority:** CunninFX  
**Review Comment:** n/a  
**Review Content Flags:**  
**Review Date:** 05 JUN 2003  
**Review Event:**  
**Review Exemptions:** n/a  
**Review History:** RELEASED <05 JUN 2003 by SmithRJ>; APPROVED <14 OCT 2003 by CunninFX>  
**Review Markings:**

Margaret P. Grafeld  
Declassified/Released  
US Department of State  
EO Systematic Review  
06 JUL 2006

**Review Media Identifier:**  
**Review Referrals:** n/a  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** n/a  
**TAGS:** EINV, MT, WESTINGHOUSE  
**To:** VALLETTA  
**Type:** TE  
**Markings:** Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 06 JUL 2006